COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)
OF SOUTHEAST DAVIESS COUNTY) CASE NO. 2007-00151
WATER DISTRICT)

ORDER

On April 12, 2007, Southeast Daviess Water District ("Southeast Daviess") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

- Southeast Daviess purchases water from Owensboro Municipal Utilities ("Owensboro").
- 2. Owensboro notified Southeast Daviess that, effective with its June 1, 2007 billing, Owensboro's wholesale water rate to Southeast Daviess would increase from \$1.491 per 1,000 gallons to \$1.620 per 1,000 gallons. Southeast Daviess proposes to increase the water rates to its customers effective June 1, 2007.
- 3. During the 12 months ending March 31, 2007, Southeast Daviess purchased a total of 551,583,100 gallons of water and sold 525,247,420 gallons. The increase in the cost of purchased water is \$71,155.00, resulting in a purchased water adjustment of \$0.14 per 1,000 gallons.

4. The purchased water adjustment of \$0.14 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

- 1. The rates proposed by Southeast Daviess are approved.
- 2. The purchased water adjustment of \$0.14 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after June 1, 2007.
- 3. Within 20 days of the date of this Order, Southeast Daviess shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 9th day of May, 2007.

By the Commission

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2007-00151 DATED May 9, 2007

The following rates and charges are prescribed for the customers in the area served by Southeast Daviess County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

RATES AND CHARGES

| Customer (| Cha | arge |
|------------|-----|------|
|------------|-----|------|

| 5/8" x 3/4 | 4" Meters | \$ 2.36 | per month |
|------------|-----------|---------|-----------|
| 1" | Meters | 3.30 | per month |
| 1 1/2 | Meters | 4.25 | per month |
| 2" | Meters | 6.84 | per month |

Usage Charge

| First | 20,000 | gallons | \$ 3.20 | per 1,000 gallons |
|-------|--------|---------|---------|-------------------|
| Over | 20,000 | gallons | 2.51 | per 1,000 gallons |

Wholesale Water Rates

| City of Whitesville | \$1.98 per 1,000 gallons |
|------------------------------------|--------------------------|
| East Daviess County Water District | \$1.98 per 1,000 gallons |